

INDEX ☐ YES ☐ NO  
CLASSIFY TO FILE NO. \_\_\_\_\_  
X-REF TO FILE NO. \_\_\_\_\_  
FILE RID ☐ RET. TO BRANCH ☐  
DESTROY ☐ SIG. \_\_\_\_\_

CLASSIFIED MESSAGE **C** TOTAL COPIES **28**

**24 SECRET**

GROUP 1  
EXCLUDED FROM AUTOMATIC  
DOWNGRADING AND  
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PERSON/UNIT NOTIFIED  
**CSDO**

FROM \_\_\_\_\_

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ACTION **C/WE-3** ☒ RID COPY ☐ ISSUED ☐ SLOTTED ☒ TUBED **CSDO** **2320** **D**

INFO  
FILE **CSDO, VR, DCI, D/DCI, EX/DIR, DDP, ADP, C3/RF, DCI (MORAN)**  
**C/CI, C/FI-2, C/FI/INT-2, C/C-2, C/SR-5, C/CA-2**

SECRET 022235Z

IMMEDIATE DIR CITE **E 3286**

REF DIR 98481\*

**KEYWAY**

**DESENSITIZED**

per DOI 70-17

1. FOLL RESULT TWO SESSIONS TODAY WITH SMABOVES RE REF AND TELECON.

A. MORNING SESSION WITH ( **2** ) ( **3** ) ( **4** ) RESULTED  
IN PRELIMINARY OUTLINE BRIEF FOR ( **5** ) USE IN BRIEFING SOLICITOR  
GENERAL PENNELL AS FOLLOWS:

(1) BRIEF BACKGROUND HEINE IN CANADA INCLUDING POSSIBLE  
KGB HISTORY AND ESCAPE STORY.

(2) SMABOVE INVESTIGATION REVEALED NOTHING TO SUBSTANTIATE  
ORIG CHARGES (NO DEROG). SINCE SMABOVE INVESTIGATION COULD NOT  
CONFIRM CHARGES THERE NO BASIS DENY CITIZENSHIP.

(3) HEINE INSTIGATED CIVIL ACTION IN U.S. COURTS CONCERNING  
STATEMENTS HIS ALLEGED ACTIVITIES IN THE U.S. (NOT IN CANADA). COURT  
CASE NOW INVOLVES MATTER OF PRIVILEGE AND JUDGE HAS STATED BELIEF THERE  
POSSIBILITY THAT CASE, IF TAKEN FURTHER, "MIGHT EXPOSE THE ENTIRE U.S.  
COUNTERESPIONAGE APPARATUS."

2. REF ARRIVED AFTER MORNING SESSION AND DISCUSSED WITH ( **4** )  
ONLY, IN ABSENCE ( **2** ) AND ( **3** )

**SECRET**

DECLASSIFIED AND RELEASED BY  
CENTRAL INTELLIGENCE AGENCY  
SOURCE METHOD EXEMPTION 3B2B  
NAZI WAR CRIMES DISCLOSURE ACT  
DATE 2008

**SECRET**

A. RE PARA 2(A) REF SMABOVES WILL ADHERE BUT POINT OUT MAY BE DIFFICULTIES GIVEN POLITICAL INSTINCTS < 5 AND MINISTERS AND/OR MP'S IF THEY GET INVOLVED.

B. RE REF PARA 3 SECOND SENTENCE SMABOVES CANNOT RESPOND AS SUGGESTED WITH REGARD RESIDENT CANADIAN CITIZEN WHO IN FACT GRANTED CITIZENSHIP ON BASIS THEIR INVESTIGATION WHICH PRODUCED NO DEROG.

( 5 ) ALREADY MET WITH PRESS EVENING 21 APRIL AND TOLD ( 2 ) HE HAD KEPT LOW KEY AND DISCLOSED NOTHING PREJUDICIAL.

C. RE REF PARA 3 THIRD SENTENCE AND REF PARA 2(B). ( 4 ) BELIEVES THESE PREMISES CAN BE MAINTAINED AND HAVE IN FACT BEEN USED IN PAST.

D. RE REF PARA 3 FIRST SENTENCE SMABOVE WILL USE IF POSSIBLE BUT CANNOT GUARANTEE IN VIEW PARA 1A(2) ABOVE.

E. RE REF PARA 4 SEE 1A(1)-(3) ABOVE.

3. THROUGHOUT MORNING AND AFTERNOON SESSIONS STRESSED THAT SMABOVES KEEP IN MIND THAT ALTHOUGH CASE NOT SUBJUDICE IN CANADA IT IN FACT IS CURRENTLY BEFORE THE U.S. COURTS AND ANY STATEMENTS BY SMABOVE, SMABLE, MP'S, MINISTERS OR PRESS COULD BE PREJUDICIAL TO OUTCOME. SMABOVES AWARE AND SAY WILL TRY KEEP IN HAND.

4. ( 2 ) ALSO ADVISED THAT PENNELL AT HOME IN BRANTFORD, ONT.

**SECRET**

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**SECRET**

THIS WEEKEND AND LIKELY WILL NOT RETURN UNTIL AFTER WEEKEND. STATED  
IF PROBLEM AROSE IN PENNELL'S ABSENCE WOULD BE BETTER ALL AROUND  
SINCE P. "SOFT" WHILE MINISTER OF JUSTICE CARDIN WHO WOULD SUB FOR  
HIM IS "TOUGH AND HELPFUL".

5  
5. NEITHER OF AFTERNOON OTTA PAPERS REFERS TO ( ) INTERVIEW  
OR TO CASE. CANADIAN FLAP, IF IT COMES, WILL MOST LIKELY ARISE IN  
PARLIAMENT FROM ATTEMPTS GAIN POLITICAL LEVERAGE BY OPPOSITION  
ELEMENTS.

S E C R E T

CFN 3286 98481 SMABOVES A TELECON ( ) ( ) ( ) ( )  
( ) CANADA KGB SMABOVE ORIG NO DEROG SMABOVE NOT CONFIRM NO BASIS  
HEINE U S U S NOT IN CANADA U S ( ) ( ) ( ) (A) SMABOVES  
( ) MP'S 3 SMABOVES CANNOT RESPOND CANADIAN NO DEROG ( )  
( ) 1 ( ) SMABOVE CANNOT GUARANTEE 1A(2) RE  
4 1A(1)-(3) SMABOVES NOT SUBJUDICE CANADA U S SMABOVE SMABLE MP'S  
SMABOVES ( ) ( ) ( ) ONT NOT RETURN ( ) SOFT  
CARDIN SUBJ ( ) CANADIAN

**SECRET**

BT \*Hqs. public position\*remains that KUBARK "unable to comment" because  
Heine case before the court.

NNNN

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